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September 20, 2010

The Honorable Arthur J. Gonzalez  
Chief United States Bankruptcy Judge  
United States Bankruptcy Court  
The Alexander Hamilton Custom House  
One Bowling Green – 5th Floor  
New York, New York 10004-1408

*Re: Saba Enterprises, Inc.*  
*Case No. 05-B-60144 (AJG)*  
*Pereira v. Grecogas Limited et al.*  
*Adv. Pro. No. 09-1001*

Dear Judge Gonzalez:

We represent John S. Pereira, the Chapter 7 Trustee (the “Trustee”) of Saba Enterprises, Inc. We write to, once again, request a discovery conference in the above-referenced adversary proceeding. The background to this dispute was originally set forth in the Trustee’s letter to Your Honor dated May 4, 2010. In short, the Defendants refused to produce documents responsive to the Trustee’s duly served discovery demands unless the parties first entered into a confidentiality agreement.

As a result of that May 4th request, Your Honor conducted a conference call at which time he directed the parties to enter into a confidentiality agreement and directed the defendants thereafter to produce the documents in their possession responsive to the Trustee’s requests.

A confidentiality agreement was subsequently negotiated and was “so ordered” by the Court. Since that time, however, the Defendants have used every excuse possible to avoid or delay producing documents to which the Trustee is clearly entitled. While they have made several disclosures, it is clear that these are merely token productions, staged to give the appearance of cooperation while providing little real information and our demands for a full response have been met with either promises of future production or complete silence.

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While we would prefer not to burden the Court with this issue, it has become obvious, yet again that, absent Your Honor's intervention, the Defendants will continue to avoid their obligations and to flout the Court's previous directions. Accordingly, I respectfully request that Your Honor schedule a conference to discuss this issue.

Respectfully submitted,

/s/Jeffrey H. Schwartz

Jeffrey H. Schwartz

JHS:gmk  
cc: Brian Rosen, Esq.  
Randi Singer, Esq.